



Jeffrey A. Masoner  
Vice President – Interconnection Services Policy & Planning



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DRAFT

April 12, 2001

Gegi Leeger  
Director - ILEC Agreements  
Allegiance Telecom, Inc.  
1150 Connecticut Ave., NW  
Suite 205  
Washington, DC 20036

Re: Requested Adoption Under the FCC Merger Conditions

Dear Ms. Leeger:

Verizon South Inc., f/k/a GTE South Incorporated ("Verizon South VA"), has received your letter stating that, pursuant to paragraph 32 of the BA/GTE Merger Conditions ("Merger Conditions"), released by the FCC on June 16, 2000 in CC Docket No. 98-184, Allegiance Telecom, Inc. ("Allegiance") wishes to provide services to customers in Verizon's service territory in the Commonwealth of Virginia by adopting the voluntarily negotiated terms of the Interconnection Agreement between Time Warner Telecom ("TWTC") and Verizon South Inc., f/k/a GTE South Incorporated ("Verizon South NC") that was approved by the North Carolina Utility Commission as an effective agreement in the State of North Carolina, as such agreement exists on the date hereof after giving effect to operation of law (the "Verizon South NC Terms")<sup>1</sup>.

I understand that Allegiance has a copy of the Verizon South NC Terms which, in any case, are attached hereto as Appendix 1. Except with respect to North Carolina state-specific pricing provisions, performance measures provisions, provisions that incorporate a determination reached in an arbitration conducted in the relevant state under 47 U.S.C. Section 252, provisions that incorporate the results of negotiations with a state commission or telecommunications carrier outside of the negotiation procedures of 47 U.S.C. Section 252(a)(1), and any provisions not required by Section 251(c) of the Telecommunications Act of 1996 (the "Act") (including but not limited to any reciprocal compensation provisions which are also excluded as state-specific pricing provisions and,

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<sup>1</sup> These "agreements" are not agreements in the generally accepted understanding of that term. Verizon [foreign state] was required to accept these agreements, which were required to reflect then-effective FCC rules and other applicable law.

in any case, are not available for adoption under the Merger Conditions) contained in the TWTC/Verizon North Carolina agreement, Verizon does not oppose Allegiance's adoption of the Verizon South NC Terms at this time. However, please note the following with respect to Allegiance's adoption of the Verizon South NC Terms.

1. By Allegiance's countersignature on this letter, Allegiance hereby represents and agrees to the following three points:

(A) Allegiance agrees to be bound by and adopts in the service territory of Verizon, the Verizon South NC Terms of the TWTC/Verizon North Carolina agreement, as it is in effect on the date hereof after giving effect to operation of law, and in applying the Verizon South NC Terms, agrees that Allegiance shall be substituted in place of Time Warner Telecom and TWTC in the Verizon South NC Terms wherever appropriate.

(B) Allegiance requests that notice to Allegiance as may be required or permitted under the Verizon South NC Terms shall be provided as follows:

To : Mary C. Albert, Esq.  
Vice President, Regulatory and Interconnection  
Allegiance Telecom, Inc.  
1150 Connecticut Ave., NW  
Suite 205  
Washington, DC 20036  
Telephone number: 202-464-6106  
FAX number: 202-296-9583  
Internet address: [mary.albert@algx.com](mailto:mary.albert@algx.com)

(C) Allegiance represents and warrants that it is a certified provider of local telecommunications service in the Commonwealth of Virginia, and that its adoption of the Verizon South NC Terms will only cover services in the service territory of Verizon in the Commonwealth of Virginia.

2. Allegiance's adoption of the Verizon South NC Terms shall become effective upon the date that Verizon files this letter with the Virginia State Corporation Commission ("Commission") (which Verizon will promptly do upon my receipt of a copy of this letter, countersigned by Allegiance as to points (A), (B) and (C) of paragraph 1 above) and remain in effect no longer than the date the TWTC/Verizon North Carolina agreement terminates. The TWTC/Verizon North Carolina agreement is currently scheduled to terminate on May 11, 2002. Thus, the Verizon South NC Terms adopted by Allegiance also shall terminate on that date.
3. As the Verizon South NC Terms are being adopted by Allegiance pursuant to the Merger Conditions, Verizon does not provide the Verizon South NC Terms to Allegiance as either a voluntary or negotiated agreement. The filing and

performance by Verizon of the Verizon South NC Terms does not in any way constitute a waiver by Verizon of any position as to the Verizon South NC Terms or a portion thereof. Nor does it constitute a waiver by Verizon of any rights and remedies it may have to seek review of the Verizon South NC Terms, or to seek review of any provisions included in these Verizon South NC Terms as a result of Allegiance's election pursuant to the Merger Conditions.

4. Allegiance's adoption of the Verizon South NC Terms pursuant to the Merger Conditions is subject to all of the provisions of such Merger Conditions. For example, state-specific pricing, state-specific performance measures, provisions that incorporate a determination reached in an arbitration conducted in the relevant state under 47 U.S.C. Section 252, provisions that incorporate the results of negotiations with a state commission or telecommunications carrier outside of the negotiation procedures of 47 U.S.C. Section 252(a)(1), and provisions from the TWTC/Verizon North Carolina agreement that are not required pursuant to Section 251(c) of the Act shall not apply to Allegiance's adoption of the Verizon South NC Terms in the Commonwealth of Virginia. In that regard, Verizon's standard pricing schedule for interconnection agreements (as such schedule may be amended from time to time) shall apply to Allegiance's adoption of the Verizon South NC Terms. Verizon will work cooperatively with Allegiance to the extent necessary to identify any other provisions of the TWTC/Verizon North Carolina agreement, including provisions that incorporate a determination reached in an arbitration conducted in the relevant state under 47 U.S.C. Section 252, provisions that incorporate the results of negotiations with a state commission or telecommunications carrier outside of the negotiation procedures of 47 U.S.C. Section 252(a)(1), and provisions that are not required pursuant to Section 251(c) of the Act that are not subject to the MFN obligations of the Merger Conditions so that Allegiance, should it desire similar terms in the Commonwealth of Virginia, may evaluate its options for obtaining such similar terms under applicable law.

As noted directly above, under the terms of paragraph 32 of the Merger Conditions, the MFN requirements in the Merger Conditions are exclusive of price terms, and prices applicable to interconnection arrangements are to be established on a state-specific basis. In addition, paragraph 32 of the Merger Conditions provides that Verizon is not obligated to permit a carrier to adopt any interconnection arrangement unless the arrangement "is consistent with the laws and regulatory requirements of the state for which the request is made[.]" Thus, by Allegiance's adoption of the TWTC/Verizon South NC agreement for Virginia, Allegiance must accept the pricing terms provided by the Commission, and it will not be entitled to terms and arrangements inconsistent with Virginia law and policy.

In addition, the Merger Conditions' MFN obligation on which Allegiance relies extends only to interconnection arrangements, UNEs, or provisions of an interconnection agreement that are "subject to 47 U.S.C. § 251(c) . . . ." As you know, the obligation of local exchange carriers to pay one another reciprocal

compensation for local traffic is found not in Section 251(c), but in Section 251(b), of the Act. On its face, therefore, the Merger Conditions' provision on which Allegiance relies does not extend to the reciprocal compensation provisions of Verizon North Carolina's interconnection agreements or to any other provisions therein not required by Section 251(c).

Even if this provision of the Merger Conditions were to be misconstrued as encompassing not only items subject to Section 251(c), but also items subject to Section 251(b), it would still not obligate Verizon to permit the cross-state adoption of compensation terms pertaining to Internet traffic. The FCC's February 1999 order expressly found that Internet traffic is not local. Accordingly, even if the TWTC/Verizon North Carolina agreement were mistakenly construed as containing a voluntary commitment to pay compensation on Internet traffic, that commitment would be entirely outside the scope of the requirements of Section 251, and therefore not subject to the cross-state MFN provisions of the Merger Conditions.

In addition, Allegiance's adoption of the Verizon South NC Terms shall not obligate Verizon to provide any interconnection arrangement or unbundled network element unless it is feasible to provide given the technical, network and OSS attributes and limitations in, and is consistent with the laws and regulatory requirements of Virginia and with applicable collective bargaining agreements.

5. On January 25, 1999, the Supreme Court of the United States issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. The Supreme Court modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, 119 S. Ct. 721 (1999). Certain provisions of the Verizon South NC Terms may be void or unenforceable as a result of the Supreme Court's decision of January 25, 1999, the United States Eighth Circuit Court of Appeals' recent decision in Docket No. 96-3321 regarding the FCC's pricing rules, and any related appeals applicable to the FCC's new UNE rules or UNE pricing rules. Moreover, nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any provision in the Verizon South NC Terms complies with the rights and duties imposed by the Act, the decisions of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Verizon South NC Terms.
6. Verizon reserves the right to deny Allegiance's adoption and/or application of the Verizon South NC Terms, in whole or in part, at any time:
  - (A) when the costs of providing the Verizon South NC Terms to Allegiance are greater than the costs of providing them to TWTC;

- (B) if the provision of the Verizon South NC Terms to Allegiance is not technically feasible;
  - (C) if Verizon otherwise is not obligated to permit such adoption and/or application under the Merger Conditions or under applicable law.
7. Verizon never intended for Internet traffic to be included within the definition of local traffic and subject to the corresponding obligation of reciprocal compensation. Whatever doubt any party may have had with respect to this issue was removed by the Declaratory Ruling that the Federal Communications Commission (the "FCC") released on February 26, 1999 which, among other things, "conclude[d] . . . that ISP-bound traffic is non-local interstate traffic."<sup>2</sup> The FCC also reaffirmed that "section 251(b)(5) of the Act and [the FCC] rules promulgated pursuant to that provision concern inter-carrier compensation for interconnected *local* telecommunications traffic."<sup>3</sup> Based on the FCC's Declaratory Ruling (among other things), it is clear that Internet traffic is not local traffic. With this in mind (as well as the other bases noted in this letter), Verizon opposes, and reserves the right to deny, the adoption and/or the application of the provisions of the Verizon South NC Terms that might be interpreted to characterize traffic destined for the Internet as local traffic or requiring the payment of reciprocal compensation.
8. Should Allegiance attempt to apply the Verizon South NC Terms in a manner that conflicts with paragraphs 3-7 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.

Please arrange for a duly authorized representative of Allegiance to sign this letter in the space provided below and return it to the undersigned.

Sincerely,

VERIZON SOUTH INC.

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Jeffrey A. Masoner  
Vice President – Interconnection Services Policy & Planning

Reviewed and countersigned as to points A, B, and C of paragraph 1:

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<sup>2</sup> Declaratory Ruling in FCC CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 99-68 (rel. February 26, 1999), fn. 87. The D.C. Circuit Court has recently asked the FCC to explain more fully its reasoning in arriving at this conclusion in the Declaratory Ruling, but it has not rejected the conclusion. The FCC, moreover, has publicly since reiterated the correctness of its conclusion.

<sup>3</sup> Id. (emphasis in original).

ALLEGIANCE TELECOM, INC.

\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Attachment

c: Dana Bolin - Verizon (w/out attachments)

**AGREEMENT  
BETWEEN  
VERIZON SOUTH INC.,  
F/K/A GTE SOUTH INCORPORATED  
AND  
ALLEGIANCE TELECOM, INC.  
SUPPLEMENTING TERMS ADOPTED BY ALLEGIANCE TELECOM, INC.  
PURSUANT TO PARAGRAPH 32 OF THE BA/GTE MERGER CONDITIONS**

**THIS AGREEMENT** is by and between Verizon South Inc., f/k/a GTE South Incorporated ("Verizon South VA") and Allegiance Telecom, Inc. ("Allegiance"), Verizon South VA and Allegiance being referred to collectively as the "Parties" and individually as a "Party". This Agreement covers services in the former GTE territories in the State of Virginia (the "State").

**WHEREAS**, pursuant to paragraph 32 of the BA/GTE Merger Conditions ("Merger Conditions"), released by the FCC on June 16, 2000 in CC Docket No. 98-184, Allegiance has adopted the terms of the Interconnection Agreement between TWTC and Verizon South Inc., f/k/a GTE South Incorporated in the State of North Carolina ("Verizon South NC Terms");

**WHEREAS**, paragraph 32 of the Merger Conditions applies only to interconnection arrangements, Unbundled Network Elements, and provisions of an interconnection agreement that are subject to 47 U.S.C. Section 251(c), and, among other things, is further limited to voluntarily negotiated terms and conditions that are not the product of state-specific pricing or regulatory obligations;

**WHEREAS**, pursuant to Section 252(a)(1) of the Act, and without waiving any of their rights to challenge the legality of the Verizon South NC Terms, the Parties now wish to supplement the Verizon South NC Terms to reflect agreement concerning obligations and relationships that are not covered by Allegiance's adoption of the Verizon South NC Terms under paragraph 32 of the FCC Merger Conditions;

**WHEREAS**, Allegiance has additionally requested and Verizon has agreed that the Resale Article in the Verizon South NC Terms be replaced with the Resale Attachment from the Verizon template agreement; and

**WHEREAS**, in drafting this Agreement the Parties have not undertaken to update the Verizon South NC Terms to incorporate intervening changes in law and each party fully reserves its future rights to do so to the extent permitted by the Verizon South NC Terms;

**NOW, THEREFORE**, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties mutually agree to replace the Resale Article in the Verizon South NC Terms with the Resale Attachment from the Verizon template agreement, which is attached to this Agreement as Attachment 1.

2.. The Parties have undertaken a joint review of the Verizon South NC Terms and have identified a number of supplemental terms (reflected in Paragraph 2) that are necessary to establish a contractual relationship between the Parties in relation to terms and conditions that cannot be ported across state boundaries pursuant to FCC merger conditions (e.g., terms and conditions that are neither 47 U.S.C. Section 251© requirements nor terms and conditions that are legitimately related to those requirements, terms and conditions reflecting state-specific regulatory requirements, terms and conditions that are the product of arbitration). The Parties acknowledge and agree that their joint review has not been exhaustive, but represents the Parties' mutual best efforts to identify such issues in the interest of avoiding future disputes. By entering into this Agreement, Verizon South VA does not waive any future right that it may have to assert that particular terms and conditions contained in the Verizon South NC Terms cannot be required in the State of Virginia pursuant to the FCC Merger Conditions. If such issues are later identified, the Parties shall, where necessary, promptly negotiate terms and conditions in accordance with applicable law covering the same subject(s). Should the Parties be unable to mutually agree on how such terms and conditions should be reflected, such dispute may be resolved pursuant to



the dispute resolution mechanism contained in the Verizon South NC Terms.

3. Pursuant to the joint review discussed in Paragraph 1, the Parties agree that the following terms and conditions (listed in reference to the Articles of the Verizon South NC Terms to which they correlate), represents subjects that are not available for adoption under paragraph 32 of the Merger Conditions, and shall supplement Allegiance's adoption of the Verizon South NC Terms, as set out specifically below:

**Article II** (Definitions):

**1.17 Commission**

The Virginia State Corporation Commission

**1.48.5 Internet Traffic**

Traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

**1.58 Local Traffic**

Traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network within Verizon's then current local calling area (including non-optional local calling scope arrangements) as defined in Verizon's effective Customer Tariffs. A non-optional local calling scope arrangement is an arrangement that provides Customers a local calling scope (Extended Area Service, "EAS"), beyond their basic exchange serving area. Local Traffic does not include optional local calling scope traffic (i.e., traffic that under an optional rate package chosen by the Customer terminates outside of the Customer's basic exchange serving area). IntraLATA calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis are not considered Local Traffic. Local Traffic does not include any Internet Traffic.

**1.75 Rate Center Point**

A specific geographic point, defined by a V&H coordinate, located within the Rate Center Area and used to measure distance for the purpose of billing customers for distance-sensitive Telephone Exchange Services and Toll Traffic.

**1.75.5 Rate Center Area or Exchange Area**

The geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange Services. The Rate Center Area is the exclusive geographic area that the LEC has identified as the area within which it will provide Telephone Exchange Services bearing the particular NPA-NXX designation associated with the specific Rate Center Area.

**1.75.6 Reciprocal Compensation**

The arrangement for recovering costs incurred for the transport and termination of Local Traffic originating on one Party's network and terminating on the other Party's network.

**1.87.5 Switched Exchange Access Service**

The offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 800 access,

888 access and 900 access.

1.90.5 **Toll Traffic**

Traffic that is originated by a Customer of one Party on that Party's network and delivered to a Customer of the other Party on that Party's network and is not Local Traffic or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic," depending on whether the originating and terminating points are within the same LATA.

**Article III** (General Provisions):

31. **Notices.**

To Allegiance:

Mary C. Albert, Esq.  
Vice President, Regulatory and Interconnection  
1150 Connecticut Ave., NW  
Suite 205  
Washington, DC 20036  
Telephone Number: 202-464-6106  
Facsimile Number: 202-296-9583

To Verizon South VA:

Director-Contract Performance & Administration  
Verizon Wholesale Markets  
600 Hidden Ridge  
HQEWMNOTICES  
Irving, TX 75038  
Telephone Number: 972-718-5988  
Facsimile Number: 972-719-1519  
Internet Address: [wmnotices@verizon.com](mailto:wmnotices@verizon.com)

with a copy to:

Vice President and Associate General Counsel  
Verizon Wholesale Markets  
1320 N. Court House Road  
8<sup>th</sup> Floor  
Arlington, VA 22201  
Facsimile: 703/974-0744

or to such other address as either Party shall designate by proper notice.

**Article V** (Interconnection and Transport and Termination of Traffic):

2.2 **Rates and Charges.**

Customer agrees to pay to Provider the rates and charges for the Services set forth in the applicable appendices to this Agreement. Verizon's rates and charges are set forth in Article XI. Allegiance's separate rates and charges are also set forth in Article XI.

3. Transport and Termination of Traffic

3.1 Traffic to be Exchanged.

The Parties shall reciprocally terminate Local, IntraLATA Toll, optional EAS and jointly provided IXC traffic originating on each other's networks utilizing either Direct or Indirect Network Interconnections as provided in Section 4 or Section 5 herein. To this end, the Parties agree that there will be interoperability between their networks. The Parties agree to exchange traffic associated with third party LECs, CLECs and Wireless Service Providers pursuant to the compensation arrangement specified in Section 3.3 herein. In addition, the Parties will notify each other of any anticipated change in traffic to be exchanged (e.g., traffic type, volume).

3.2.2 Compensation Arrangements. The Parties shall compensate each other for the transport and termination of Local Traffic delivered to the terminating Party in accordance with Section 251(b)(5) of the Act (Reciprocal Compensation) at the rates stated in Article XI. When such Local Traffic is delivered over the same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic to an end user shall be prorated to be applied only to the Toll Traffic. The Parties agree to the initial state level exempt factor representative of the share of traffic exempt from local compensation. This initial exempt factor is set forth in Article XI. This factor will be updated quarterly in like manner or as the Parties otherwise agree. Once the traffic that is exempt from local compensation can be measured, the actual exempt traffic will be used rather than the above factor. This factor is applied to terminating usage to determine the jurisdiction for rate application. The designation of traffic as Local Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this Section, but instead shall be treated as described or referenced below:

3.2.2.1 Tandem Transit Traffic shall be treated as specified in Section 3.3.

3.2.2.2 For any traffic originating with a third party carrier and delivered by Allegiance to Verizon, Allegiance shall pay Verizon the same amount that such third party carrier would have been obligated to pay Verizon for termination of that traffic at the location the traffic is delivered to Verizon by Allegiance.

3.2.2.3 Switched Exchange Access Service and InterLATA or IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable Tariffs and, where applicable, by a Meet-Point Billing arrangement in accordance with Section 8.

3.2.2.4 No Reciprocal Compensation shall apply to Internet Traffic. If the amount of traffic (excluding intraLATA Toll Traffic) that

Verizon delivers to Allegiance exceeds twice the amount of traffic that Allegiance delivers to Verizon as Local Traffic ("2:1 ratio"), then the amount of traffic that Verizon delivers to Allegiance in excess of such 2:1 ratio shall be presumed to be Internet Traffic and shall not be subject to Reciprocal Compensation.

3.2.2.5 No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating Party.

3.2.2.6 IntraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls originated or authorized by the Parties' respective Customers in Virginia shall be treated in accordance with an arrangement mutually agreed to by the Parties.

3.2.2.7 Any other traffic not specifically addressed in this Section shall be treated as provided elsewhere in this Agreement, or if not so provided, as required by the applicable Tariff of the Party transporting and/or terminating the traffic.

3.2.3 Local Designation in Customer Tariffs. Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

3.2.4 Traffic Audits. Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner.

### 3.3 Tandem Transit Traffic

3.3.1 As used in this Section 3, Tandem Transit Traffic is Telephone Exchange Service traffic that originates on Allegiance's network, and is transported through a Verizon Tandem to the Central Office of a CLEC, ILEC other than Verizon, Commercial Mobile Radio Service (CRMS) carrier, or other LEC, that subtends the relevant Verizon Tandem to which Allegiance delivers such traffic. Neither the originating nor terminating Customer is a Customer of Verizon. Subtending Central Offices shall be determined in accordance with and as identified in the Local Exchange Routing Guide (LERG). Switched Exchange Access Service traffic is not Tandem Transit Traffic.

3.3.2 Tandem Transit Traffic Service provides Allegiance with the transport of Tandem Transit Traffic as provided below.

3.3.3 Tandem Transit Traffic may be routed over the Local trunks described in Section 4.3. Allegiance shall deliver each Tandem Transit Traffic call to Verizon with Hundred Call Second and the appropriate Transactional

Capabilities Application Part (TCAP) message to facilitate full interoperability of CLASS Features and billing functions.

- 3.3.4 Allegiance shall exercise its best efforts to enter into a reciprocal Telephone Exchange Service traffic arrangement (either via written agreement or mutual Tariffs) with any CLEC, ILEC, CMRS carrier, or other LEC, to which it delivers Telephone Exchange Service traffic that transits Verizon's Tandem Office. If Allegiance does not enter into and provide notice to Verizon of the above referenced arrangement within 180 days of the initial traffic exchange with relevant third party carriers, then Verizon may, at its sole discretion, terminate Tandem Transit Service at anytime upon thirty (30) days written notice to Allegiance.
- 3.3.5 Allegiance shall pay Verizon for Transit Service that Allegiance originates at the rate specified in the Pricing Attachment, plus any additional charges or costs the receiving CLEC, ILEC, CMRS carrier, or other LEC, imposes or levies on Verizon for the delivery or termination of such traffic, including any Switched Exchange Access Service charges.
- 3.3.6 Verizon will not provide Tandem Transit Traffic Service for Tandem Transit Traffic to be delivered to a CLEC, ILEC, CMRS carrier, or other LEC, if the volume of Tandem Transit Traffic to be delivered to that carrier exceeds one (1) DS1 level volume of calls.
- 3.3.7 If or when a third party carrier's Central Office subtends a Allegiance Central Office, then Allegiance shall offer to Verizon a service arrangement equivalent to or the same as Tandem Transit Service provided by Verizon to Allegiance as defined in this Section 3 such that Verizon may terminate calls to a Central Office of a CLEC, ILEC, CMRS carrier, or other LEC, that subtends a Allegiance Central Office ("Reciprocal Tandem Transit Service"). Allegiance shall offer such Reciprocal Transit Service arrangements under terms and conditions no less favorable than those provided in this Section 3.
- 3.3.8 Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange agreement with any carrier to which it originates, or from which it terminates, traffic.

#### 4.3 Trunking Requirements

- 4.3.3 TWTC and GTE shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. TWTC and GTE will support the provisioning of trunk groups that carry combined or separate Local Traffic and intraLATA toll and optional EAS traffic. GTE requires separate trunk groups from TWTC to originate and terminate interLATA calls and to provide Switched Access Service to IXCs.

4.3.3.1 Each Party agrees to route traffic only over the proper jurisdictional trunk group.

4.3.3.2 Each Party shall only deliver traffic over the local

interconnection trunk groups to the other Party's access tandem for those publicly-dialable NXX Codes served by end offices that directly subtend the access tandem or to those wireless service providers that directly subtend the access tandem.

4.3.3.3 Neither party shall route Switched Access Service traffic over local interconnection trunks, or Local Traffic over Switched Access Service trunks.

6. Number Resources.

6.1 Number Assignment.

Nothing in this Agreement shall be construed to limit or otherwise adversely affect in any manner either Party's right to employ or to request and be assigned any Central Office Codes ("NXX") pursuant to the Central Office Code Assignment Guidelines and any relevant FCC or Commission orders, as may be amended from time to time, or to establish, by Tariff or otherwise, Rate Centers and Routing Points corresponding to such NXX codes.

6.2 Rate Centers.

Unless otherwise required by Commission order, the Rate Center Areas will be the same for each Party. During the term of this Agreement, Allegiance shall adopt the Rate Center Area and Rate Center Points that the Commission has approved for Verizon within the LATA and Tandem serving area, in all areas where Verizon and Allegiance service areas overlap. Allegiance shall assign whole NPA-NXX codes to each Rate Center Area unless otherwise ordered by the FCC, the Commission or another governmental entity of appropriate jurisdiction, or the LEC industry adopts alternative methods of utilizing NXXs.

6.3 Routing Points.

Allegiance will also designate a Routing Point for each assigned NXX code. Allegiance shall designate one location for each Rate Center Area in which the Allegiance has established NXX code(s) as the Routing Point for the NPA-NXXs associated with that Rate Center, and such Routing Point shall be within the same LATA as the Rate Center Area but not necessarily within the Rate Center Area itself. Unless specified otherwise, calls to subsequent NXXs of Allegiance will be routed in the same manner as calls to Allegiance's initial NXXs.

6.4 Customer Local Calling Area(s).

Notwithstanding anything to the contrary contained herein, nothing in this Agreement is intended, and nothing in this Agreement shall be construed, to in any way constrain Allegiance's choices regarding the size of the local calling area(s) that Allegiance may establish for its Customers, which local calling areas may be larger than, smaller than, or identical to Verizon's local calling areas.

6.5 Programming Switches.

It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on ASRs as well

as the LERG in order to recognize and route traffic to the other Party's assigned NXX codes. Except as expressly set forth in this Agreement, neither Party shall impose any fees or charges whatsoever on the other Party for such activities.

7. Number Portability - Section 251(B)(2)

7.1 Scope.

The Parties shall provide Number Portability (NP) in accordance with rules and regulations as from time to time prescribed by the FCC.

7.2 Procedures for Providing LNP ("Long-term Number Portability").

The Parties will follow the LNP provisioning process recommended by the North American Numbering Council (NANC) and adopted by the FCC. In addition, the Parties agree to follow the LNP ordering procedures established at the OBF. The Parties shall provide LNP on a reciprocal basis.

7.2.1 A Customer of one Party ("Party A") elects to become a Customer of the other Party ("Party B"). The Customer elects to utilize the original telephone number(s) corresponding to the Telephone Exchange Service(s) it previously received from Party A, in conjunction with the Telephone Exchange Service(s) it will now receive from Party B. After Party B has received a letter of agency (LOA) from a Customer and sends a LSR to Party A, Parties A and B will work together to port the Customer's telephone number(s) from Party A's network to Party B's network. It is Party B's responsibility to maintain a file of all LOAs and Party A may request, upon reasonable notice, a copy of the LOA.

7.2.2 When a telephone number is ported out of Party A's network, Party A will remove any non-proprietary line based calling card(s) associated with the ported number(s) from its Line Information Database (LIDB). Reactivation of the line-based calling card in another LIDB, if desired, is the responsibility of Party B or Party B's Customer.

7.2.3 When a Customer of Party A ports their telephone numbers to Party B and the Customer has previously secured a reservation of line numbers from Party A for possible activation at a future point, these reserved but inactive numbers may be ported along with the active numbers to be ported provided the numbers have been reserved for the Customer. Party B may request that Party A port all reserved numbers assigned to the Customer or that Party A port only those numbers listed by Party B. As long as Party B maintains reserved but inactive numbers ported for the Customer, Party A shall not reassign those numbers. Party B shall not reassign the reserved numbers to another Customer.

7.2.4 When a Customer of Party A ports their telephone numbers to Party B, in the process of porting the Customer's telephone numbers, Party A shall implement the ten-digit trigger feature where it is available. When Party A receives the porting request, the unconditional trigger shall be applied to the Customer's line before the due date of the porting activity. When the ten-digit unconditional trigger is not available, Party A and Party B must coordinate the disconnect activity.

- 7.2.5 The Parties shall furnish each other with the Jurisdiction Information Parameter (JIP) in the Initial Address Message (IAM), containing a Local Exchange Routing Guide (LERG)-assigned NPA-NXX (6 digits) identifying the originating switch on calls originating from LNP capable switches.
- 7.2.6 Where LNP is commercially available, the NXXs in the office shall be defined as portable, except as noted in 14.2.7, and translations will be changed in the Parties' switches to open those NXXs for database queries in all applicable LNP capable offices within the LATA of the given switch(es). On a prospective basis, all newly deployed switches will be equipped with LNP capability and so noted in the LERG.
- 7.2.7 All NXXs assigned to LNP capable switches are to be designated as portable unless a NXX(s) has otherwise been designated as non-portable. Non-portable NXXs include NXX codes assigned to paging, cellular and wireless services; codes assigned for internal testing and official use and any other NXX codes required to be designated as non-portable by the rules and regulations of the FCC. NXX codes assigned to mass calling on a choked network may not be ported using LNP technology but are portable using methods established by the NANC and adopted by the FCC. On a prospective basis, newly assigned codes in switches capable of porting shall become commercially available for porting with the effective date in the network.
- 7.2.8 Both Parties' use of LNP shall meet the performance criteria specified by the FCC. Both Parties will act as the default carrier for the other Party in the event that either Party is unable to perform the routing necessary for LNP.

7.3 Procedures for Providing NP Through Full NXX Code Migration.

Where a Party has activated an entire NXX for a single Customer, or activated at least eighty percent (80%) of an NXX for a single Customer, with the remaining numbers in that NXX either reserved for future use by that Customer or otherwise unused, if such Customer chooses to receive Telephone Exchange Service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX reassigned in the LERG (and associated industry databases, routing tables, etc.) to an End Office operated by the second Party. Such transfer will be accomplished with appropriate coordination between the Parties and subject to appropriate industry lead times for movements of NXXs from one switch to another. Neither Party shall charge the other in connection with this coordinated transfer.

7.4 Procedures for Providing INP (Interim Number Portability).

The Parties shall provide Interim Number Portability (INP) in accordance with rules and regulations prescribed from time to time by the FCC and state regulatory bodies, the Parties respective company procedures, and as set forth in this Section 7.4. The Parties shall provide INP on a reciprocal basis.

- 7.4.1 In the event that either Party, Party B, wishes to serve a Customer currently served at an End Office of the other Party, Party A, and that End Office is not LNP-capable, Party A shall make INP available. INP



will be provided by remote call forwarding (RCF) and/or direct inward dialing (DID) technology, which will forward terminating calls to Party B's End Office. Party B shall provide Party A with an appropriate "forward-to" number.

- 7.4.2 Prices for INP and formulas for sharing Terminating access revenues associated with INP shall be provided where applicable, upon request by the Parties.
- 7.4.3 Either Party wishing to use DID to provide for INP must request a dedicated trunk group from the End Office where the DID numbers are currently served to the new serving-End Office. If there are no existing facilities between the respective End Offices, the dedicated facilities and transport trunks will be provisioned as unbundled service through the ASR provisioning process. The requesting party will reroute the DID numbers to the pre-positioned trunk group using the LSR provisioning process. DID trunk rates are contained in the Parties' respective tariffs.
- 7.4.4 The Parties Agree that, per FCC 98-275, Paragraph 16, effective upon the date LNP is available at any End Office of one Party, Party A, providing INP for Customers of the other Party, Party B, no further orders will be accepted for new INP at that End Office. Orders for new INP received prior to that date, and change orders for existing INP, shall be worked by Party A. Orders for new INP received by Party A on or after that date shall be rejected. Existing INP will be grand-fathered, subject to Section 7.4.5, below.
- 7.4.5 In offices equipped with LNP prior to September 1, 1999 for former Bell Atlantic offices and October 1, 2000 for former GTE offices, the Parties agree to work together to convert all existing INP-served Customers to LNP by 12/31/00 in accordance with a mutually agreed to conversion process and schedule. If mutually agreed to by the Parties, the conversion period may be extended one time by no more than 90 days from December 31, 2000.
- 7.4.6 Upon availability of LNP after October 1, 2000 at an End Office of either Party, both Parties agree to work together to convert the existing INP-served Customers to LNP by no later than 90 days from the date of LNP availability unless otherwise agreed to by the Parties.
- 7.4.7 When, through no fault of Verizon's, all INP has not been converted to LNP at the end of the agreed to conversion period, then the remaining INPs will be changed to a functionally equivalent tariff service and billed to the CLEC at the tariff rate(s) for the subject jurisdiction.

7.5 Procedures for LNP Request.

The Parties shall provide for the requesting of End Office LNP capability on a reciprocal basis through a written request. The Parties acknowledge that Verizon has deployed LNP throughout its network in compliance with FCC 96-286 and other applicable FCC rules.

- 7.5.1 If Party B desires to have LNP capability deployed in an End Office of Party A, which is not currently capable, Party B shall issue a LNP

Request to the Party A. Party A will respond to the Party B, within ten (10) days of receipt of the request, with a date for which LNP will be available in the requested End Office. Party A shall proceed to provide for LNP in compliance with the procedures and timelines set forth in FCC 96-286, Paragraph 80, and FCC 97-74, Paragraphs 65 through 67.

- 7.5.2 The Parties acknowledge that each can determine the LNP-capable End Offices of the other through the Local Exchange Routing Guide (LERG). In addition the Parties shall make information available upon request showing their respective LNP-capable End Offices, as set forth in this Section 7.5.

**Article VI** (Resale of Services):

For replacement of entire Article VI, see Attachment 1.

**Article VII** (Unbundled Network Elements):

4.1 Rates and Charges.

The monthly recurring charges (MRCs) and non-recurring charges (NRCs) applicable for the UNEs and UNE-Ps, and related services made available under this Article are set forth in Article XI. Compensation arrangements for the exchange of switched traffic between Allegiance and Verizon when Allegiance uses a Verizon port, local switching and shared transport shall be as set forth in Article IX.

**Article VIII** (Additional Services and Coordinated Service Arrangements):

1. Transfer of Service Announcements.

When a Customer changes its service provider from Verizon to Allegiance, or from Allegiance to Verizon, and does not retain its original telephone number, the Party formerly providing service to such Customer shall provide a referral announcement ("Referral Announcement") on the abandoned telephone number which provides the Customer's new number or other appropriate information, to the extent known to the Party formerly providing service. Notwithstanding the foregoing, a Party shall not be obligated under this Section to provide a Referral Announcement if the Customer owes the Party unpaid overdue amounts or the Customer requests that no Referral Announcement be provided.

Referral Announcements shall be provided, in the case of business Customers, for a period of not less than one hundred and twenty (120) days after the date the Customer changes its telephone number, and, in the case of residential Customers, not less than thirty (30) days after the date the Customer changes its telephone number; provided that if a longer time period is required by Applicable Law, such longer time period shall apply. Except as otherwise provided by Applicable Law, the period for a referral may be shortened by the Party formerly providing service if a number shortage condition requires reassignment of the telephone number.

This referral announcement will be provided by each Party at no charge to the other Party; provided that the Party formerly providing service may bill the Customer its standard Tariff charge, if any, for the referral announcement.

2. Misdirected Calls.

The Parties will employ the following procedures for handling any misdirected calls (e.g., Business office, repair bureau, etc.):

- 2.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.
- 2.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the end-user the correct contact number.
- 2.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit end-users or to market services.

3. 911/E-911 Arrangements.

3.1 911/E-911 Arrangements

- 3.1.1 Allegiance may, at its option, interconnect to the Verizon 911/E-911 Selective Router or 911 Tandem Offices, as appropriate, that serve the areas in which Allegiance provides Telephone Exchange Services, for the provision of 911/E-911 services and for access to all subtending Public Safety Answering Points ("PSAP"). In such situations, Verizon will provide Allegiance with the appropriate CLLI codes and specifications of the Tandem Office serving area. In areas where E-911 is not available, Allegiance and Verizon will negotiate arrangements to connect Allegiance to the 911 service in accordance with applicable state law.
- 3.1.2 Path and route diverse Interconnections for 911/E-911 shall be made at the Allegiance-IP, the Verizon-IP, or other points as necessary and mutually agreed, and as required by law or regulation.
- 3.1.3 Within thirty (30) days of its receipt of a complete and accurate request from Allegiance, to include all required information and applicable forms, and to the extent authorized by the relevant federal, state, and local authorities, Verizon will provide Allegiance, where Verizon offers 911 service, with the following at a reasonable fee, if applicable:
  - 3.1.3.1 a file via electronic medium containing the Master Street Address Guide ("MSAG") for each county within the LATA(s) where Allegiance is providing, or represents to Verizon that it intends to provide within sixty (60) days of CLEC(s) request, local exchange service, which MSAG shall be updated as the need arises and a complete copy of which shall be made available on an annual basis;

- 3.1.3.2 a list of the address and CLLI code of each 911/E-911 selective router or 911 Tandem office(s) in the area in which Allegiance plans to offer Telephone Exchange Service;
- 3.1.3.3 a list of geographical areas, e.g., LATAs, counties or municipalities, with the associated 911 tandems, as applicable.
- 3.1.3.4 a list of Verizon personnel who currently have responsibility for 911/E-911 requirements, including a list of escalation contacts should the primary contacts be unavailable.
- 3.1.3.5 any special 911 trunking requirements for each 911/E-911 selective router or 911 Tandem Office, where available, and;
- 3.1.3.6 prompt return of any Allegiance 911/E-911 data entry files containing errors, so that Allegiance may ensure the accuracy of the Customer records.

### 3.2 Electronic Interface

Allegiance shall use, where available, the appropriate Verizon electronic interface, through which Allegiance shall input and provide a daily update of 911/E-911 database information related to appropriate Allegiance Customers. In those areas where an electronic interface is not available, Allegiance shall provide Verizon with all appropriate 911/E-911 information such as name, address, and telephone number via facsimile for Verizon's entry into the 911/E-911 database system. Any 911/E-911-related data exchanged between the Parties prior to the availability of an electronic interface shall conform to Verizon standards, whereas 911/E-911-related data exchanged electronically shall conform to the National Emergency Number Association standards ("NENA"). Allegiance may also use the electronic interface, where available, to query the 911/E-911 database to verify the accuracy of Allegiance Customer information.

### 3.3 911 Interconnection

Verizon and Allegiance will use commercially reasonable efforts to facilitate the prompt, robust, reliable and efficient interconnection of Allegiance systems to the 911/E-911 platforms and/or systems.

### 3.4 911 Facilities

Allegiance shall be responsible for providing facilities from the Allegiance End Office to the 911 Tandem or selective router. Allegiance shall deploy diverse routing of 911 trunk pairs to the 911 tandem or selective router.

### 3.5 Local Number Portability for use with 911

The Parties acknowledge that until Local Number Portability ("LNP") with full 911/E-911 compatibility is utilized for all ported telephone numbers, the use of Interim Number Portability ("INP") creates a special need to have the Automatic Location Identification ("ALI") screen reflect two numbers: the "old" number and the "new" number assigned by Allegiance. Therefore, for those ported telephone numbers using INP, Allegiance will provide the 911/E-911 database with both the forwarded number and the directory number, as well as all other required information including the appropriate address information for the customer for

entry into the 911/E-911 database system. Further, Allegiance will outpulse the telephone number to which the call has been forwarded (that is, the Customer's ANI) to the 911 Tandem office or selective router. Allegiance will include their NENA five character Company Identification ("COID") for inclusion in the ALI display.

3.5.1 Allegiance is required to enter data into the 911/E-911 database under the NENA Standards for LNP. This includes, but is not limited to, using Allegiance's NENA COID to lock and unlock records and the posting of Allegiance's NENA COID to the ALI record where such locking and migrating feature for 911/E-911 records are available or as defined by local standards.

3.6 PSAP Coordination

Verizon and Allegiance will work cooperatively to arrange meetings with PSAPs to answer any technical questions the PSAPs, or county or municipal coordinators may have regarding the 911/E-911 arrangements.

3.7 911 Compensation

Allegiance will compensate Verizon for connections to its 911/E-911 platform and/or system pursuant to the rate schedule included in Article XI.

3.8 911 Rules and Regulations

Allegiance and Verizon will comply with all applicable rules and regulations (including 911 taxes and surcharges as defined by local requirements) pertaining to the provision of 911/E-911 services in Virginia.

4. Voice Information Service Traffic

4.1 For purposes of this Section 4, (a) Voice Information Service means a service furnished by a Verizon subscriber that provides [i] recorded voice announcement information or [ii] a vocal discussion program open to the public, and (b) Voice Information Service Traffic means intraLATA switched voice traffic, delivered to a Voice Information Service. Voice Information Service Traffic does not include any form of Internet Traffic. Voice Information Service Traffic also does not include 555 traffic or similar traffic with AIN service interfaces, which traffic shall be subject to separate arrangements between the Parties. Voice Information Service Traffic is not subject to Local Traffic Reciprocal Compensation charges under the Interconnection Attachment.

4.2 For a Verizon Telecommunications Service dial tone line purchased by Allegiance for resale pursuant to the Resale Attachment and for a Verizon Local Switching UNE purchased by Allegiance pursuant to the UNE Attachment, Verizon will route Voice Information Service Traffic originating from such dial tone line or Local Switching UNE to the appropriate Voice Information Service connected to Verizon's network unless a feature blocking such Voice Information Service Traffic has been installed. For such Voice Information Service Traffic, Allegiance shall pay to Verizon without discount any Voice Information Service provider charges billed by Verizon to Allegiance. Allegiance shall pay Verizon such charges in full regardless of whether or not Allegiance collects such charges from its own Customer.

- 4.3 Allegiance shall have the option to route Voice Information Service Traffic that originates on its own network to the appropriate Voice Information Service connected to Verizon's network. In the event Allegiance exercises such option, Allegiance will establish, at its own expense, a dedicated trunk group to the Verizon Voice Information Service serving switch. This trunk group will be utilized to allow Allegiance to route Voice Information Service Traffic originated on its network to Verizon. For such Voice Information Service Traffic, unless Allegiance has entered into a written agreement with Verizon under which Allegiance will collect from Allegiance's Customer and remit to Verizon the Voice Information Service provider's charges, Allegiance shall pay to Verizon without discount any Voice Information Service provider charges billed by Verizon to Allegiance. Allegiance shall pay Verizon such charges in full regardless of whether or not Allegiance collects such charges from its own Customer.

5. Telephone Relay Service.

Local and intraLATA Telephone Relay Service (TRS) enables deaf, hearing-impaired, or speech-impaired TRS users to reach other telephone users. With respect to resold services, Allegiance's end-users will have access to the state authorized TRS provider to the extent required by the Commission, including any applicable compensation surcharges.

6. Directory Assistance and Operator Services.

- 6.1 Either Party may request that the other Party provide the requesting Party with nondiscriminatory access to the other Party's directory assistance services (DA), IntraLATA operator call completion services (OS), and/or directory assistance listings database. If either Party makes such a request, the Parties shall enter into a mutually acceptable written agreement for such access.
- 6.2 Allegiance shall arrange, at its own expense, the trunking and other facilities required to transport traffic to and from the designated DA and OS switch locations.

7. Directory Assistance Listings Information.

Verizon will make available to Allegiance, at Allegiance's request, Verizon end-user and authorized CLEC Directory Assistance listing information stored in Verizon's Directory Assistance database for the purposes of Allegiance providing Directory Assistance service to its customers. At such time Verizon makes zip code information available to the CLEC industry as part of DA Listings, Verizon will include the zip code with Allegiance DA Listings. Implementation of customized routing, pursuant to Article VII is required for Allegiance to provide Directory Assistance Service for Verizon Resold and Unbundled Port services.

- 7.1. Directory Assistance Listing Information is the listed names, addresses and telephone numbers of Verizon and authorized CLEC subscribers. Excluded are listings for restricted CLEC lines. Verizon directory assistance listing information includes 800/888 listings, non-listed numbers and foreign listings within the Verizon franchise. Verizon will also provide non-published listings subject to the following limitations:

- 7.1.1 Verizon will provide the name and address for non-published listings along with a non-published indicator. Verizon may also provide the full ten (10) digit telephone number on an interim basis only, until Verizon, in

its sole discretion, modifies its systems to preclude the delivery of the non-published telephone number. Following such modification, Allegiance agrees that the non-published telephone numbers will no longer be available.

- 7.1.2 Allegiance agrees to defend, hold harmless and indemnify Verizon against any claims, damages or liabilities arising out of any complaint, suit or other action brought by third parties relating to the release by Allegiance of any non-published customer names, addresses or numbers.
- 7.2 Verizon shall provide to Allegiance, at Allegiance's request, directory assistance listing information within sixty (60) Business Days after an order is received for that specific state. The DA listing information will be provided in Verizon format via magnetic tape or National Data Mover (NDM) as specified by Allegiance. Updates to the DA listing information shall be provided on a daily basis through the same means used to transmit the initial load. DA listing information provided shall indicate whether the customer is a residence or business customer. The rates to be paid by Allegiance to Verizon for the initial load and daily updates will be provided upon request.
  - 7.2.1 Such listings shall be confidential information under this Agreement and Allegiance will use the listings only for its directory assistance services to its end-users. Allegiance is not authorized to release Verizon's DA listing information to any other party or to provide DA to any other party using Verizon DA listing information, including Allegiance's affiliates, subsidiaries or partners, except with the expressed written permission of Verizon. In those instances where Allegiance's affiliates, subsidiaries or partners also desire to use Verizon's DA listing information, each affiliate, subsidiary or partner must negotiate a contract with Verizon to obtain the listings.
  - 7.2.2 If Allegiance uses a third-party directory assistance service to its end-users, Allegiance will ensure that such third party likewise treats the listings as Confidential Information under this Agreement, and uses them only for CLEC directory assistance.
  - 7.2.3 Verizon will release Allegiance's DA listing information that includes Allegiance's end user information to a third party directory provider that requests such information without Allegiance's written approval at the same time as Verizon provides the Verizon's DA Listing Information to the third party.
- 7.3 Allegiance agrees to pay Verizon's standard charges for the initial load and daily updates of Verizon's DA listing information, which will be provided upon request.
- 7.4 The Parties will work together to identify and develop procedures for database error corrections.

## 8. Directory Listing and Directory Distribution

To the extent required by Applicable Law, Verizon will provide directory services to Allegiance. Such services will be provided in accordance with the terms set forth herein.

### 8.1 Listing Information.

As used herein, "Listing Information" means a Allegiance Customer's primary name, address (including city, state and zip code), telephone number(s), the delivery address and number of directories to be delivered, and, in the case of a business Customer, the primary business heading under which the business Customer desires to be placed, and any other information Verizon deems necessary for the publication and delivery of directories.

8.2 Listing Information Supply.

Allegiance shall provide to Verizon on a regularly scheduled basis, at no charge, and in a format required by Verizon or by a mutually agreed upon industry standard (e.g., Ordering and Billing Forum developed), all Listing Information and the service address for each Allegiance Customer whose service address location falls within the geographic area covered by the relevant Verizon directory. Allegiance shall also provide to Verizon on a daily basis, (a) information showing Allegiance Customers who have disconnected or terminated their service with Allegiance; and (b) delivery information for each non-listed or non-published Allegiance Customer to enable Verizon to perform its directory distribution responsibilities. Verizon shall promptly provide to Allegiance, (normally within forty-eight (48) hours of receipt by Verizon, excluding non-Business Days), a query on any listing that is not acceptable.

8.3 Listing Inclusion and Distribution.

Verizon shall include each Allegiance Customer's Primary Listing in the appropriate alphabetical directory and, for business Customers, in the appropriate classified (Yellow Pages) directory in accordance with the directory configuration, scope and schedules determined by Verizon in its sole discretion, and shall provide initial distribution of such directories to such Allegiance Customers in the same manner it provides initial distribution of such directories to its own Customers. "Primary Listing" means a Customer's primary name, address, and telephone number. Listings of Allegiance's Customers shall be interfiled with listings of Verizon's Customers and the Customers of other LECs included in the Verizon directories. Allegiance shall pay Verizon's tariffed charges for additional and foreign alphabetical listings and other alphabetical services (e.g. caption arrangements) for Allegiance's Customers.

8.4 Verizon Information.

Upon request by Allegiance, Verizon shall make available to Allegiance the following information to the extent that Verizon provides such information to its own business offices: a directory list of relevant NXX codes, directory and "Customer Guide" close dates, publishing data, and Yellow Pages headings. Verizon also will make available to Allegiance, upon written request, a copy of Verizon's alphabetical listings standards and specifications manual.

8.5 Confidentiality of Listing Information.

Verizon shall accord Allegiance Listing Information the same level of confidentiality that Verizon accords its own listing information, and shall use such Listing Information solely for the purpose of providing directory-related services; provided, however, that should Verizon elect to do so, it may use or license Allegiance Listing Information for directory publishing, direct marketing, or any other purpose for which Verizon uses or licenses its own listing information, so long as Allegiance Customers are not separately identified as such; and provided



further that Allegiance may identify those of its Customers who request that their names not be sold for direct marketing purposes, and Verizon shall honor such requests to the same extent it does so for its own Customers. Verizon shall not be obligated to compensate Allegiance for Verizon's use or licensing of Allegiance Listing Information.

8.6 Accuracy.

Both Parties shall use commercially reasonable efforts to ensure the accurate publication of Allegiance Customer listings. At Allegiance's request, Verizon shall provide Allegiance with a report of all Allegiance Customer listings normally no more than ninety (90) days and no less than thirty (30) days prior to the service order close date for the applicable directory. Verizon shall process any corrections made by Allegiance with respect to its listings, provided such corrections are received prior to the close date of the particular directory.

8.7 Indemnification.

Allegiance shall adhere to all practices, standards, and ethical requirements established by Verizon with regard to listings. By providing Verizon with Listing Information, Allegiance warrants to Verizon that Allegiance has the right to provide such Listing Information to Verizon on behalf of its Customers. Allegiance shall make commercially reasonable efforts to ensure that any business or person to be listed is authorized and has the right (a) to provide the product or service offered, and (b) to use any personal or corporate name, trade name, trademark, service mark or language used in the listing. Allegiance agrees to release, defend, hold harmless and indemnify Verizon from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever, suffered, made, instituted, or asserted by any person arising out of Verizon's publication or dissemination of the Listing Information as provided by Allegiance hereunder.

8.8 Liability.

Verizon's liability to Allegiance in the event of a Verizon error in or omission of a listing shall not exceed the lesser of the amount of charges actually paid by Allegiance for such listing or the amount by which Verizon would be liable to its own customer for such error or omission. Allegiance agrees to take all reasonable steps, including, but not limited to, entering into appropriate contractual provisions with its Customers, to ensure that its and Verizon's liability to Allegiance's Customers in the event of a Verizon error in or omission of a listing shall be subject to the same limitations of liability applicable between Verizon and its own Customers.

8.9 Service Information Pages.

Verizon shall include all Allegiance NXX codes associated with the geographic areas to which each directory pertains, to the extent it does so for Verizon's own NXX codes, in any lists of such codes that are contained in the general reference portion of each directory. Allegiance's NXX codes shall appear in such lists in the same manner as Verizon's NXX information. In addition, when Allegiance is authorized to, and is offering, local service to Customers located within the geographic area covered by a specific directory, at Allegiance's request, Verizon shall include, at no charge, in the "Customer Guide" or comparable section of the applicable alphabetical directories, Allegiance's critical contact information for